Software Asset Management (SAM)

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The State of Montana recently experienced an audit of software installations and usage by the software vendor Attachmate, and was found to be in a state of non-compliance with software licenses.

Software Asset Management is a key part of the plan of the State of Montana to address the issue of gaining control in achieving software compliance.

Software Asset Management

- What is SAM?

- Software asset management is the business discipline by which companies optimize their investment in software assets.

- SAM is a set of processes, policies, practices, and tools for managing the life cycle of software.

Purpose of SAM

➤ Harness the maximum value and control from our investment in software.

➤ Manage software assets to avoid 2 MAIN RISKS:

1) RISK of non-compliance for under-licensing

2) RISK of overpaying for unused licenses

Danger Zone!

- Software Compliance Audits

- Watchdog Groups

- Horror Stories

Software Compliance Audits

•Number of audits increasing as software publishers look for revenue

•Risk Factors of Audits

•Cost of Fines and Penalties if Found Non-Compliant Can Be High

      - Attachmate

• Cost of Negative Publicity for the State if Found Non-Compliant

• Ignorance or Innocence No Excuse

      - Use of Software MUST Match License Entitlements in End
User License Agreements (EULAs)

Watchdog Groups

- Business Software Alliance (BSA)

- Software Industry & Information Alliance (SIIA)

Horror Stories

• Australian Engineering Firm Must Pay Crippling Bill For Ten Years Compensation for Copyright Infringement

•Texas firm out $100k

•Bickel

•Payless

•Brazil advertising company

Risks of Illegal Software

- Fines of up to $150,000 per infringed title (U.S. Copyright Act, Title 17)

- Lack of product support

- Blemished reputation – "Hey, You Were the One's Busted"

- Possible criminal charges against managers/directors

- No product warranties, possible virus penetration

Are You a Pirate?

• Don't Become An "Accidental Pirate"

• 5 Basic Ways of Pirating Software

1) Softlifting
2) Internet
3) Hard-disk loading
4) Renting
5) Counterfeiting

Compliance Tips for Software Licenses

- If You Don't Have A License for the Product, Don't Install It!

- Shareware Software – Either Buy the License When Trial Period Is Up, Or Uninstall the Product

- Annually Renewable Software Is What It Is

- Identify and Remove Illegal and Unsupported Software

- Read the Software License Agreement for Usage Rights and Inform Your Users

- Make Sure You Have the Legal Right to Copy or Distribute Copies
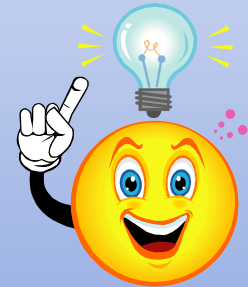
Benefits of SAM

Save Money

Get Peace of Mind

Help Keep Our Data Safe

Improve Business Performance

Asset Management = L+I+U

➢ Want to harness the maximum value and control from our investment in software.

➢ Manage software assets through three lenses:

- Vendor View – what are we licensed for? License requirements determined from *ownership* data.

- IT View – what have we deployed? License requirements determined from *inventory* data.

- Business View – what is our usage? License requirements determined from *usage* data.

ITIL Recommendations for Approaching SAM

- Set a vision

- Set goals and objectives

- Define detailed strategy

- Clarify roles and responsibilities

- Define policies and procedures

- Determine software inventory

- Undertake reconciliation of installed versus licensed software

Questions? Comments?

- *SAM in a Nutshell:*

  – *Understand <u>what</u> we have*

  – *Understand <u>where</u> it is*

  – *Understand <u>how</u> it's used*

  – *Understand <u>how</u> it's licensed*

  – *Understand <u>when</u> it need to be upgraded or changed*

  – *Understand <u>who</u> is responsible*